

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7371**

**BILL NUMBER:** HB 1278

**NOTE PREPARED:** Apr 14, 2009

**BILL AMENDED:** Apr 14, 2009

**SUBJECT:** Water and Utilities.

**FIRST AUTHOR:** Rep. Smith M

**FIRST SPONSOR:** Sen. Walker

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** *Study Committee Topic.* This bill urges the Legislative Council to assign to a study committee the topic of water rights, drainage, and utilities.

*Eminent Domain with Respect to Certain Utilities.* This bill prohibits a municipality or other governmental unit from exercising eminent domain with respect to certain utilities or from requiring certain utilities to sell certain property to the municipality or governmental unit.

**Effective Date:** Upon passage; July 1, 2009.

**Explanation of State Expenditures:** *Study Committee Topic.* This bill would have a minimal impact only if a committee assigned the topic held a meeting or meetings that it would not have held were it not for the need to study the topic assigned under the bill. If the committee met an additional time or times to consider the topic, per diem and travel expenses for the committee would increase. However, total expenses for the committee could not exceed its budget, which is established by the Legislative Council. Committee budgets ranged from \$9,500 to \$16,500, depending on the number of members.

Committees are funded from state General Fund appropriations to the Legislative Council and Legislative Services Agency.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Eminent Domain with Respect to Certain Utilities.* This bill prohibits a municipality or other governmental unit from exercising eminent domain with respect to certain utilities

or from requiring certain utilities to sell certain property to the municipality or governmental unit. The impact that this provision will have on expenditures of local units is indeterminable.

**Explanation of Local Revenues:**

**State Agencies Affected:** Legislative Council; Legislative Services Agency.

**Local Agencies Affected:** Local units.

**Information Sources:**

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.